9/25/87 A7000-2

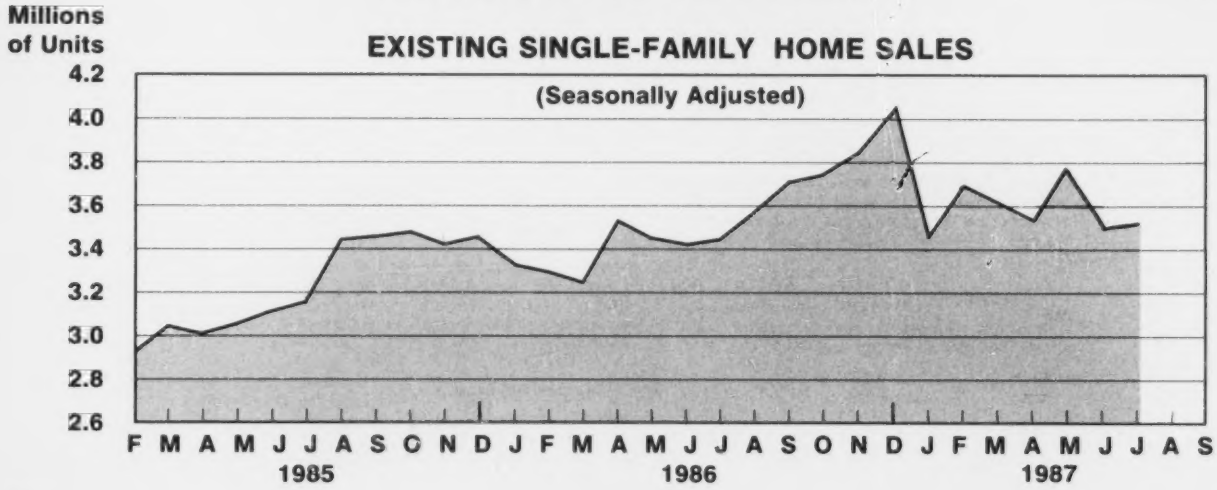
Home Sales

EXISTING AND NEW
SINGLE-FAMILY, APARTMENT CONDOS AND CO-OPS

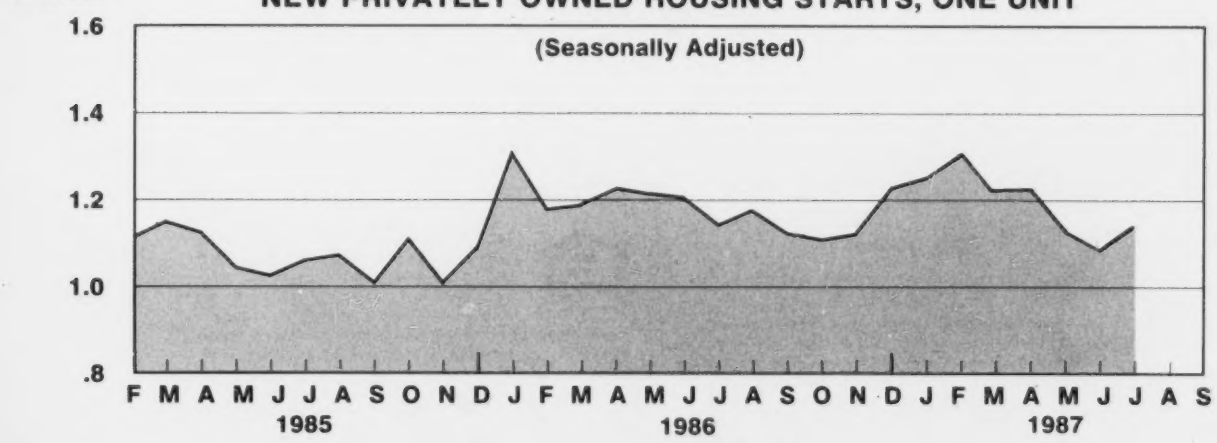
NATIONAL ASSOCIATION OF REALTORS®

August 1987

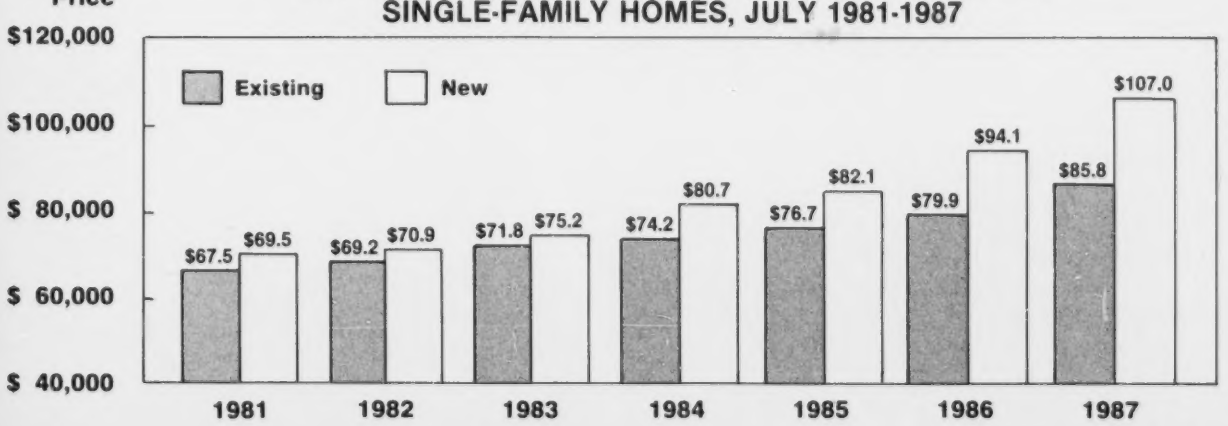
EXISTING SINGLE-FAMILY HOME SALES



NEW PRIVATELY OWNED HOUSING STARTS, ONE UNIT



EXISTING AND NEW HOME MEDIAN SALES PRICE OF SINGLE-FAMILY HOMES, JULY 1981-1987



SURVEY DESCRIPTION

Publication

1. "Home Sales" is a monthly publication of the NATIONAL ASSOCIATION OF REALTORS®.

Coverage

2. Each month the REALTORS® Economics and Research Division receives data on existing single-family home sales from over 400 Boards of REALTORS® and multiple listing systems. In 1985 data on over 1,590,000 existing single-family homes were received and processed.

3. Participating Boards are situated in every region of the country and provide wide geographic coverage of the existing home market. While almost all are located in, or adjacent to, standard metropolitan statistical areas, comparisons of their sales reports with data from the Annual Housing Survey show that, as a group, their experience is representative of the sales activity and prices that generally prevail in each region of the country.

Regions

4. Statistics on sales volume and price are published for the U.S. and for the four standard Census regions of the country. States contained in each region are as follows:

NORTHEAST
Connecticut
Maine
Massachusetts
New Hampshire
New Jersey
New York
Pennsylvania
Rhode Island
Vermont

MIDWEST
Illinois
Indiana
Iowa
Kansas
Michigan
Minnesota
Missouri
Nebraska
North Dakota
Ohio
South Dakota
Wisconsin

SOUTH
Alabama
Arkansas
Delaware
Dist. of Columbia
Florida
Georgia
Kentucky
Louisiana
Maryland
Mississippi
North Carolina
Oklahoma
South Carolina
Tennessee
Texas
Virginia
W. Virginia

WEST
Alaska
Arizona
California
Colorado
Hawaii
Idaho
Montana
Nevada
New Mexico
Oregon
Utah
Washington
Wyoming

5. Regional weights have been developed to represent the estimated importance of each region in the national existing home market. These weights are based on the regional distribution of owner-occupied single-family dwelling units and homeowner mobility. Weights are periodically revised to reflect shifts in regional demand. The most recent revision occurred in 1982 to reflect changes reported in the 1980 Census of Housing. Weights assigned each region are:

Northeast	.14	South	.35
Midwest	.28	West	.23

Sales Volume

6. Estimated total sales volume of single-family homes and condominiums and cooperatives for each region is computed by using a constant factor to blow up the reported sales of participating multiple listing systems. Regional factors were developed by analyzing the relationship between reported Board sales and measures of total market activity derived from special computer runs from the Annual Housing Survey tapes and from the 1980 Census of Housing.

7. Regional sales are then aggregated to yield national sales volume. Because of the method of computation, regional figures will not always total to the U.S. statistic. Such differences are due entirely to rounding.

8. Quarterly estimates for total existing home sales by state are developed subsequent to the national and regional single-family and apartment condominium/co-op statistics. A constant "blow-up" factor is used. These factors were developed by comparing sales reported by participating Boards to market activity benchmarks from the 1980 Census of Housing. State estimates are then adjusted to conform with regional totals.

9. In the main, a transaction is reported when the sales contract is signed, but a number of Boards report "closings." To the extent "closings" are contained in this series, they introduce a "distributive lag" effect which tends to smooth out month-to-month fluctuations in reported volume.

Sales Price

10. Median and average (mean) sales prices are computed for the U.S. and each region of the country and median sales prices are computed for selected metropolitan areas. Because of the nature of the distribution of home sales prices, the average (mean) sales price is higher than the median price.

11. Movements in sales prices should not be interpreted as measuring changes in the cost of a *standard home*. Prices are influenced by changes in cost *and* changes in the characteristics and size of homes actually sold.

12. There is a modest degree of seasonal variation in reported selling prices. Sales prices tend to reach a seasonal peak in July, and then decline moderately over the next three months before experiencing a seasonal upturn. However, sales prices are *not seasonally adjusted*.

Seasonal Adjustment

13. Volume statistics are seasonally adjusted using the X-II Variant of the Census Method II Seasonal Adjustment Program of the Bureau of the Census. The procedure includes adjusting for trading-day variation—the number of Mondays, Tuesdays, etc., in a particular month. This type of fluctuation in the data was found to be significant.

14. Sales in each region are first seasonally adjusted and then aggregated to yield the U.S. statistic.

15. Seasonal indices are based on monthly single-family home sales activity dating from July 1966. Seasonal patterns for apartment condominium/cooperative sales and state home sales are based on a quarterly data beginning in 1975. New seasonal adjusters are constructed at the conclusion of each year. Data for the three preceding years are revised using these new seasonal factors.

EQUAL HOUSING OPPORTUNITY

THE NATIONAL ASSOCIATION OF REALTORS® is pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the nation. The Association encourages and supports an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, or national origin.

SUBSCRIPTION INFORMATION

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home sales

Housing markets reacted to a slight decline in mortgage rates being offered by lenders by firming up somewhat in July. Existing single-family home sales were at a seasonally adjusted annual rate of 3,530,000 units, less than one percentage point above the June level and 2.0 percent more than last July. New home sales were at a 653,000 unit pace, also within a percentage point of last month but 5.5 percent below the extremely active pace of last July. Mortgage rates are roughly equivalent to last year, and while homebuyers remain cautious, the market is buoyed by buyers who are opting for adjustable rate mortgages which can be converted to fixed rates if the rates fall.

With the exception of the West, the regional sales volume registered little or no change when compared with both last month and last year. July resales in the Northeast slipped to a 680,000 unit seasonally adjusted annual rate, down 1.5 percent from last month and unchanged from last year. Both the Midwest and South were unchanged from last month although the Midwest was down 2.2 percent and the South was up 0.8 percent when compared to a year earlier. The greatest change was in the West where the number of existing home sales increased to a pace of 680,000 units, up 6.3 percent from June and a strong 15.3 percent above last year.

Although new home sales were up less than one percent from last month, regional analysis shows that performance was mixed, with the Northeast region playing a major role in keeping the national sales figure from sliding. Sales in the Northeast increased to a seasonally adjusted annual rate of 114,000 units, up 14 percent from June and virtually unchanged from the year before. The Midwest and South were both in the minus column with Midwest activity slipping to 99,000 units, down 5.7 percent from last month but up 2.1 percent from a year ago, while sales in the South decreased to a 243,000 unit rate, 5.1 percent below June and a steep 20 percent off the year ago pace. Sales in the West rose modestly to a 197,000 unit rate, 4.2 percent above last month and 11.3 percent ahead of the year ago level.

Inventory Available for Sale

The inventory of both existing and new homes available for sale was remarkably stable in July with the same number of units in each class available as a month earlier. Small month-to-month changes in both existing and new home sales had only a minimal effect on the months' supply of homes on the market.

A modest 30,000 unit increase in the existing home sales annualized rate reduced the inventory overhang from 8.2 to 8.1 months. Similarly, a 3,000 unit uptick in the new home sales rate pared the months' supply of new homes available for sale from 6.8 to 6.7

Housing Construction

After four consecutive month-to-month decreases in housing starts, new home construction staged a modest comeback in July, to the 1,611,000 level. This occurred at least partly because of continued overall economic strength coupled with a small decline in mortgage commitment rates. A comparison of starts by type of structure indicates that there was an increase in single-family starts to a 1,159,000 unit pace, up 5.7 percent, which tended to offset a drop in structures with 2 to 4 units, off 27.6 percent, and 5 units or more, down 6.0 percent.

Thus, while there was continuing weakness in the multi-family segment, there appears to be underlying strength in the single-family area were the economic consequences of tax reform are less of a threat to the homebuyer than the investor.

Regional comparisons reflect sharp contrasts in levels of construction activity. After hitting a 12 month low in June, housing starts in the Northeast rebounded to a seasonally adjusted annual rate of 288,000 units, up 9.1 percent on the month and 2.9 percent above July, 1986. By contrast, starts in the Midwest, reflecting weaker overall economic performance in the region, dropped sharply to a 247,000 unit rate, down 15.7 percent from last month and 23.1 percent below a year ago. Starts in the South rose to a 639,000 unit rate, up 5.8 percent from June but still 10.9 percent below last years pace, while activity in the West was virtually unchanged at a 437,000 rate — 6.6 percent below last year's level.

Home Sales prices

While the existing home median price reached a new high in July, the new home median price drifted slightly below the all-time high set last month. The median existing single-family home price in July rose to $85,800, 0.7 percent above June and 7.4 percent higher than a year ago. The median new home price slipped $1,000 to $107,000 after establishing a new monthly high in June — still a significant 13.7 percent above July of last year.

Prices among the regions were mixed. The cost of a single-family home in the Northeast declined for the first time this year, dropping to $131,800 from a high of $136,400 in June, but still 26.0 percent higher than a year ago. Prices in the other three regions increased at rates much closer to the overall inflation rate, with the price in the Midwest rising 3.0 percent over the last 12 months to $66,100. Similarly, the median price in the South increased 3.4 percent to $79,800, while the more robust market in the West experienced a 5.3 percent increase to $107,000.

Resale Housing Affordability

Higher home prices combined with a small increase in mortgage interest rates on loans closed to nudge the Housing Affordability Index slightly lower in July to 110.5. This is still very close to the top of its range over the past 12 months — 102.3 to 113.3 — and certainly further confirmation that housing is still quite affordable.

At the current index level of 110.5, a family earning the median family income of $30,416 would have 110.5 percent of the income necessary to qualify for a conventional loan on the median priced home of $85,800, assuming a 20 percent down payment.

It is noteworthy that the spread between the fixed rate index and ARM index has widened significantly during the past three months, providing careful shoppers with a sound financing alternative.

For the first five months of the year, the monthly spread between the two indexes has been close to 10 points. In June, it widened to 16.4 points and in July it reached 18.0. Clear opportunities now exist for borrowers who would like to have the option of converting an adjustable-rate mortgage to a fixed-rate if rates should decline later on.

Condominium/Cooperative Resales

Apartment condo and co-op sales volume has increased at a substantially faster rate than single-family detached housing between 1982 and 1986, the four years since the bottom of the housing market in 1982. During the recession

period, apartment condo and co-op sales increased from 130,000 units to 332,000 units, 155.4 percent, while single-family detached sales volume rose from 1,990,000 units to 3,565,000, 79.1 percent.

Nationwide, sales activity during the second quarter increased to 368,000 units on a seasonally adjusted annual rate basis. This was 6.4 percent above the first quarter and 19.9 percent higher than the second quarter of last year. The Northeast region, with its large urban areas, was by far the leader in overall level of activity as well as rate of growth with a sales rate of 192,000 units, up 13.6 percent from the first quarter and 30.6 percent higher than a year ago. Sales in the Midwest slipped to a 65,000 unit level but still were up 8.3 percent from the pace of a year ago. Volume was unchanged in both the South and West with sales in the South at a 79,000 unit rate, up a respectable 14.5 percent from last year's level, and activity in the West at a 32,000 unit pace, up 3.2 percent above the same quarter a year ago.

Overall, apartment condo and co-op price performance has been lackluster during the recovery. The nationwide median price for this type of residence increased 13.4 percent to $72,600 while the sale price of an existing single-family home increased 18.4 percent to $80,300. Analysis of regional prices reveals sharp contrasts among the four regions with the Northeast outstripping the others with a 38.5 percent increase to $84,900. Price behavior was only fair to outright poor in the remaining regions. Two barely showed any appreciation; the Midwest, with a 6.7 percent increase to $58,700, and the South registering a 4.2 percent increase to $64,600. Prices in the West were actually in a downtrend during the period with the median decreasing 6.7 percent to $90,800.

State Home Resales

Total existing single-family home sales, including apartment condos and co-ops, reached 3,980,000 in the second quarter of 1987, 5.3 percent above the second quarter of 1986. The four regions turned in mixed performances with three registering increases exceeding six percent and one slipping below last years pace. The greatest gain occurred in the South where sales surged to a rate of 1,390,000 units, up 9.4 percent from the same quarter a year ago. The West was close behind, moving up to an annualized rate of 660,000 units, 8.2 percent above last year, while sales in the Northeast rose to an 890,000 unit pace, 6.0 percent above last year's level. Activity jn the Midwest was sluggish, with sales dropping to a 1,040,000 unit rate, 3.7 percent below the 1986 pace.

The local nature of real estate markets is even more clearly reflected in an analysis of this sales activity at the state level. Two thirds of the states reported a sales volume increase in the second quarter of 1987 when compared to the same quarter of last year. Twenty of these states made a particularly strong showing, recording increases of 10 percent or more. At the other end of the scale, only six states reported sales rates of existing homes below last year by at least 10 percent.

Ten states boasted gains of 20 percent or more. Among them were several of the more populous states including California (20.5 percent), Florida (28.8 percent), Massachusetts (22.1 percent), and Texas (24.9 percent).

Metropolitan Home Prices

The resale price of an existing single-family home varies considerably among the metropolitan areas in our survey. The highest prices can be found at the geographic extremes of the land with the major Eastern cities, specifically the Boston area and New York/Northern New Jersey/Long Island posting median prices of $175,800 and $183,000, respectively. Meanwhile, West Coast metropolitan areas at the opposite end of the country, Orange County (Anaheim/Santa Ana MSA), at $167,300, and San Diego, at $127,100, recorded prices nearly as high, and clearly way above the nation's median priced home of $85,600. Among the traditional lower priced areas are Grand Rapids and Louisville at $53,400 each and Buffalo/Niagara Falls at $56,500.

Comparisons of quarterly metropolitan area price changes with quarterly regional price changes point up some parallels between the two. For example, the metropolitan areas with the strongest year-to-year changes are in

STATE HOME RESALES

(Change from a Year Ago)

Down 10.0% or more	Down 0.1-9.9%	Up 0.1-9.9%	Up 10.0% or more	
Alaska	Arizona	Alabama	California	South Carolina
District of Columbia	Connecticut	Arkansas	Colorado	Tennessee
Michigan	Idaho	Illinois	Delaware	Texas
Minnesota	Iowa	Indiana	Florida	Vermont
Virginia	Kansas	Louisiana	Georgia	Wyoming
West Virginia	Maryland	Mississippi	Hawaii	
	Oklahoma	Missouri	Kentucky	
	Pennsylvania	New Hampshire	Maine	
	South Dakota	New Jersey	Massachusetts	
	Utah	New York	Montana	
	Washington	North Carolina	Nebraska	
		Oregon	Nevada	
		Rhode Island	New Mexico	
		Wisconsin	North Dakota	
			Ohio	

the Northeast region which also had the greatest year-to-year price increase.

Overall, 10 of the 51 metropolitan areas in the survey reported price increases of 10 percent or more. Of these, 6 are in the Northeast region, which also posted the highest increase of all regions, 24.4 percent. None of the survey mets in the Northeast reported a price decline.

Similarly, a parallel can be drawn between the year-to-year price changes for metropolitan areas in the West and the year-to-year price changes for the entire West region. While only one met in the West had an increase of 10 percent or more, 2 were up over 5 percent and 6 were up by as much as 4.9 percent. As in the case of the Northeast, there were no mets with year-to-year declines in the West region, although the increase was only up 2.5 percent.

Price changes for the Midwest and South, while positive, were relatively small when compared with the other two regions. While only 3 of 14 Midwest mets were up 5 percent or more, 7 were up 0.1 to 4.9 percent and 4 registered decreases. Prices in the entire Midwest region were only up 1.4 percent.

Similarly, 8 of 19 Southern mets were up 5 percent or more while 6 increased by 0.1 to 4.9 percent and 5 declined. Prices in the South were only up 1.0 percent.

METROPOLITAN AREA MEDIAN PRICE

(Change from a Year Ago)

Down	Up 0.1-4.9%		Up 5.0-9.9%	Up 10% or More
Akron	Albuquerque	Orlando	Baltimore	Albany/Schenectady/ Troy
Baton Rouge	Birmingham	Phoenix	Chicago	Orange County, CA (Anaheim/Santa Ana)
Columbus	Buffalo/Niagara Falls	Portland	Ft. Lauderdale	Boston
Dallas/Ft. Worth	Cincinnati	St. Louis	Kansas City	Detroit
Des Moines	Denver	Salt Lake City/Ogden	Los Angeles Area	Hartford
El Paso	Grand Rapids	Syracuse	Memphis	Jacksonville
Houston	Indianapolis	Tampa/St. Petersburg/ Clearwater	Nashville/Davidson	New York/Northern New Jersey/Long Island
Miami/Hialeah	Las Vegas	Toledo	Rochester	Philadelphia
Omaha	Louisville	Tulsa	San Antonio	Providence
	Milwaukee		San Diego	Washington, D.C.
	Minneapolis/St. Paul		West Palm Beach/ Boca Raton/Delray Beach	
	Oklahoma City			

UNITED STATES SUMMARY

		Single-Family Home Sales (Seasonally Adjusted Annual Rates)		Number of Homes Available for Sale (End of Period)		Months' Supply of Homes on the Market		Median Sales Price of Single-Family Homes	
		Existing	New	Existing	New	Existing	New	Existing	New
1981		2,419,000	436,000	n/a	278,000	*	*	$66,400	$68,900
1982		1,990,000	412,000	1,910,000	255,000	*	*	67,800	69,300
1983		2,719,000	623,000	1,980,000	304,000	*	*	70,300	75,300
1984		2,868,000	639,000	2,260,000	358,000	*	*	72,400	79,900
1985		3,214,000	688,000	2,200,000	350,000	*	*	75,500	84,300
1986		3,565,000	749,000	1,970,000	366,000	*	*	80,300	92,000
1986	Jul	3,460,000	691,000	2,530,000	350,000	8.8	6.1	$79,900	$94,100
	Aug	3,590,000	623,000	2,670,000	352,000	8.9	7.0	82,000	91,500
	Sep	3,710,000	744,000	2,450,000	355,000	7.9	5.9	80,300	95,000
	Oct	3,760,000	675,000	2,470,000	357,000	7.9	6.3	79,400	96,400
	Nov	3,850,000	691,000	2,570,000	353,000	8.0	6.2	80,400	94,000
	Dec	4,060,000	768,000	1,970,000	357,000	5.8	5.8	80,800	95,000
1987	Jan	3,480,000	712,000	2,380,000	358,000	8.2	6.2	$82,100	$98,500
	Feb	3,690,000	740,000	2,570,000	358,000	8.4	6.1	85,000	95,200
	Mar[r]	3,680,000	720,000	2,620,000	358,000	8.5	6.0	85,600	98,400
	Apr[r]	3,560,000	733,000	2,620,000	359,000	8.8	5.8	85,000	96,500
	May[r]	3,770,000	643,000	2,520,000	356,000	8.0	6.8	85,200	105,000
	Jun[r]	3,500,000	650,000	2,390,000	359,000	8.2	6.8	85,200	108,000
	Jul[p]	3,530,000	653,000	2,390,000	359,000	8.1	6.7	85,800	107,000

r Revised p Preliminary n/a not available * not applicable

Source: Census Bureau, U.S. Department of Commerce

UNIT VOLUME

EXISTING SINGLE—FAMILY HOME SALES

Year		United States	Northeast	Midwest	South	West	United States	Northeast	Midwest	South	West
1981		2,419,000	353,000	632,000	917,000	516,000					
1982		1,990,000	354,000	490,000	780,000	366,000					
1983		2,719,000	493,000	709,000	1,035,000	481,000					
1984		2,868,000	511,000	755,000	1,073,000	529,000					
1985		3,214,000	622,000	866,000	1,172,000	554,000					
1986		3,565,000	703,000	991,000	1,261,000	610,000					
		Seasonally Adjusted Annual Rates					Not Seasonally Adjusted				
1986	Jul	3,460,000	680,000	920,000	1,260,000	590,000	336,000	68,000	94,000	120,000	54,000
	Aug	3,590,000	690,000	990,000	1,270,000	630,000	341,000	72,000	93,000	116,000	60,000
	Sep	3,710,000	710,000	1,020,000	1,350,000	630,000	317,000	68,000	85,000	107,000	57,000
	Oct	3,760,000	740,000	1,000,000	1,350,000	680,000	326,000	70,000	81,000	115,000	60,000
	Nov	3,850,000	710,000	1,030,000	1,430,000	680,000	266,000	46,000	63,000	110,000	46,000
	Dec	4,060,000	810,000	1,080,000	1,400,000	760,000	268,000	50,000	68,000	97,000	52,000
1987	Jan	3,480,000	680,000	1,000,000	1,230,000	570,000	216,000	43,000	56,000	83,000	35,000
	Feb	3,690,000	710,000	1,120,000	1,270,000	580,000	241,000	41,000	78,000	84,000	38,000
	Mar	3,680,000	730,000	1,110,000	1,270,000	570,000	325,000	57,000	102,000	113,000	52,000
	Apr	3,560,000	670,000	1,030,000	1,270,000	590,000	331,000	59,000	102,000	119,000	51,000
	May	3,770,000	740,000	1,000,000	1,380,000	640,000	346,000	66,000	94,000	126,000	59,000
	Jun[r]	3,500,000	690,000	900,000	1,270,000	640,000	360,000	72,000	96,000	123,000	69,000
	Jul[r]	3,530,000	680,000	900,000	1,270,000	680,000	341,000	69,000	88,000	123,000	61,000

Components may not agree with totals due to rounding.
r Revised p Preliminary

DOLLAR VOLUME

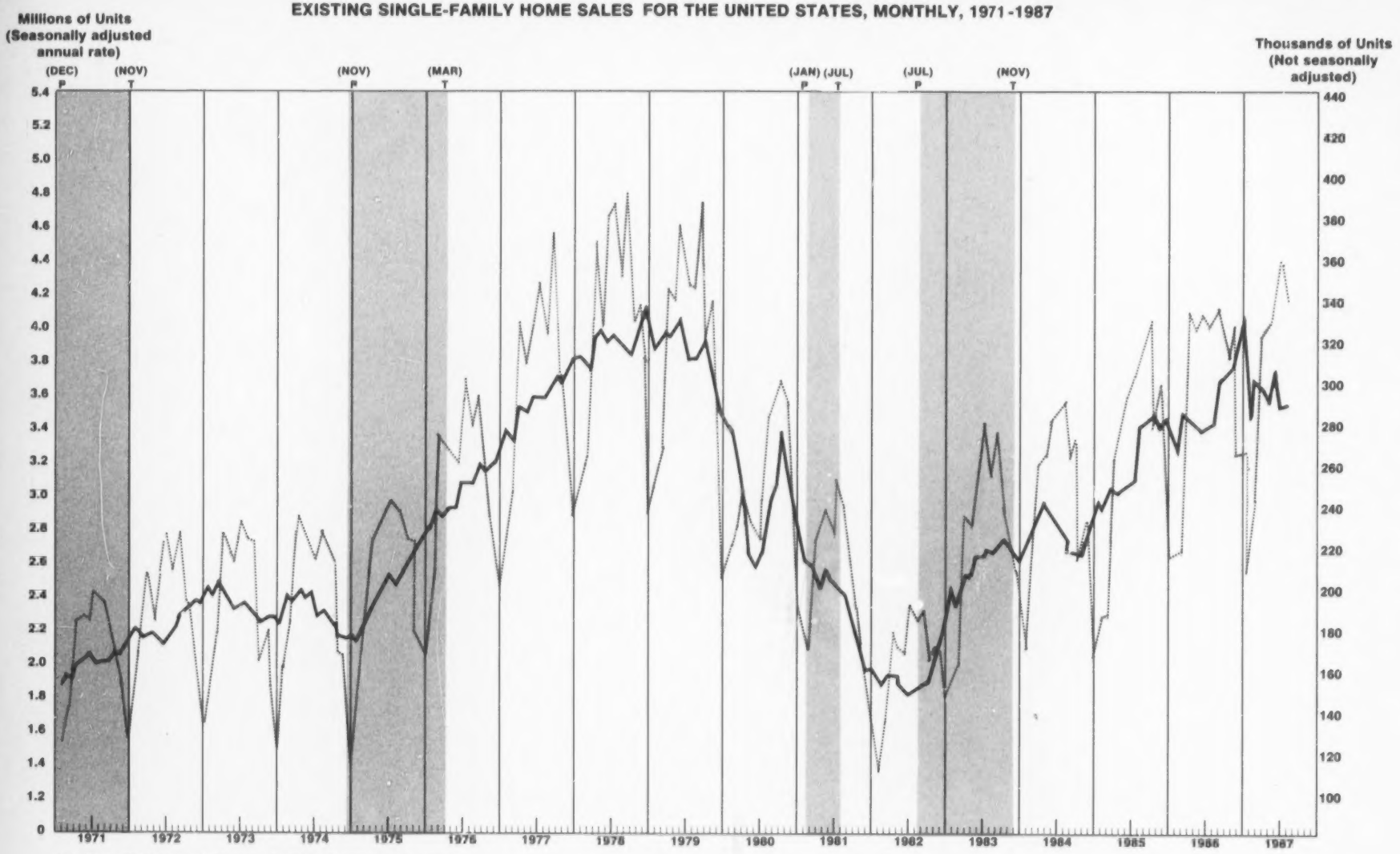
DOLLAR VOLUME OF EXISTING SINGLE-FAMILY HOME SALES

(Billions of Dollars)

Year		United States	Northeast	Midwest	South	West	United States	Northeast	Midwest	South	West
1981		$189.4	$ 26.8	$37.2	$ 69.1	$57.5					
1982		160.2	26.7	29.7	61.4	41.8					
1983		225.9	42.1	44.6	84.4	53.4					
1984		246.6	48.4	48.1	90.1	59.6					
1985		291.9	67.8	57.2	103.9	63.1					
1986		351.1	90.5	70.4	116.9	74.6					
		Seasonally Adjusted Annual Rates					Not Seasonally Adjusted				
1986	Jul	$344.3	$ 88.1	$66.6	$115.4	$74.2	$33.4	$ 8.8	$6.8	$ 11.0	$6.7
	Aug	361.5	92.4	71.0	118.8	79.3	34.2	9.6	6.7	10.8	7.5
	Sep	364.6	93.8	71.9	123.0	75.9	31.1	8.9	6.0	9.8	6.9
	Oct	369.3	97.1	68.6	120.0	83.6	31.7	9.2	5.6	10.2	7.3
	Nov	382.4	94.2	74.4	129.4	84.4	26.3	6.1	4.5	10.0	5.7
	Dec	413.5	110.0	77.5	129.3	96.7	27.0	6.9	4.9	8.9	6.7
1987	Jan	$348.5	$ 91.2	$74.1	$115.4	$67.6	$21.7	$ 5.8	$4.1	$ 7.8	$4.1
	Feb	384.7	98.2	84.6	123.8	74.9	25.2	5.6	5.9	8.2	4.8
	Mar	386.2	103.5	85.3	125.8	70.4	34.1	8.1	7.9	11.2	6.5
	Apr	373.6	96.3	77.2	123.4	75.7	34.8	8.5	7.7	11.6	6.5
	May	400.4	108.4	77.0	135.0	83.1	36.8	9.8	7.2	12.4	7.6
	Jun[r]	371.0	103.8	67.2	122.0	83.3	38.2	10.8	7.2	11.8	9.0
	Jul[p]	376.7	98.9	67.9	124.2	91.3	36.4	10.0	6.6	12.0	8.2

Components may not agree with totals due to rounding.
r Revised p Preliminary

EXISTING SINGLE-FAMILY HOME SALES FOR THE UNITED STATES, MONTHLY, 1971-1987



Peak (P) of cycle indicates end of expansion in general economy and beginning of recession (shaded area).

Trough (T) of cycle indicates end of recession in general economy and beginning of expansion.

SALES PRICE

SALES PRICE OF EXISTING SINGLE-FAMILY HOMES
(Not Seasonally Adjusted)

Year		United States	Northeast	Midwest	South	West	United States	Northeast	Midwest	South	West
		Median					Average (Mean)				
1981		$66,400	$ 63,700	$54,300	$64,400	$ 96,200	$ 78,300	$ 76,000	$58,900	$75,400	$111,400
1982		67,800	63,500	55,100	67,100	98,900	80,500	75,400	60,700	78,700	114,200
1983		70,300	72,200	56,600	69,200	94,900	83,100	85,400	62,900	81,500	111,000
1984		72,400	78,700	57,100	71,300	95,800	86,000	94,800	63,700	84,000	112,700
1985		75,500	88,900	58,900	75,200	95,400	90,800	102,900	66,100	88,700	113,900
1986		80,300	104,800	63,500	78,200	100,900	98,500	128,700	71,100	92,700	122,200
1986	Jul	$79,900	$104,600	$64,200	$77,200	$101,700	$99,200	$130,100	$72,000	$91,500	$124,800
	Aug	82,000	107,500	63,700	79,700	102,900	100,300	133,100	71,900	93,300	125,000
	Sep	80,300	106,000	62,800	77,800	100,100	98,200	131,900	70,500	91,300	121,000
	Oct	79,400	106,000	61,100	75,900	101,700	97,300	131,600	68,700	89,000	123,200
	Nov	80,400	106,400	63,500	76,300	102,400	99,100	131,900	72,500	90,700	123,900
	Dec	80,800	109,300	62,700	75,400	100,500	100,600	136,000	71,500	92,100	126,600
1987	Jan	$82,100	$108,700	$65,200	$78,700	$100,300	$100,100	$136,100	$73,800	$93,900	$119,900
	Feb	85,000	125,400	67,100	82,100	104,000	104,300	138,300	75,500	97,500	128,400
	Mar	85,600	128,000	67,600	83,700	101,900	104,900	141,500	76,800	99,100	124,500
	Apr	85,000	129,000	66,700	81,800	103,300	105,000	144,200	75,300	97,200	127,900
	May	85,200	132,400	66,300	81,400	103,200	106,300	147,100	76,600	98,000	128,900
	Jun[r]	85,200	136,400	65,600	80,500	105,100	106,000	150,500	74,700	96,100	130,200
	Jul[p]	85,800	131,800	66,100	79,800	107,100	106,700	145,500	75,400	97,800	134,200

r Revised p Preliminary

SALES OF EXISTING SINGLE-FAMILY HOMES FOR THE UNITED STATES BY PRICE CLASS
(Percentage Distribution)

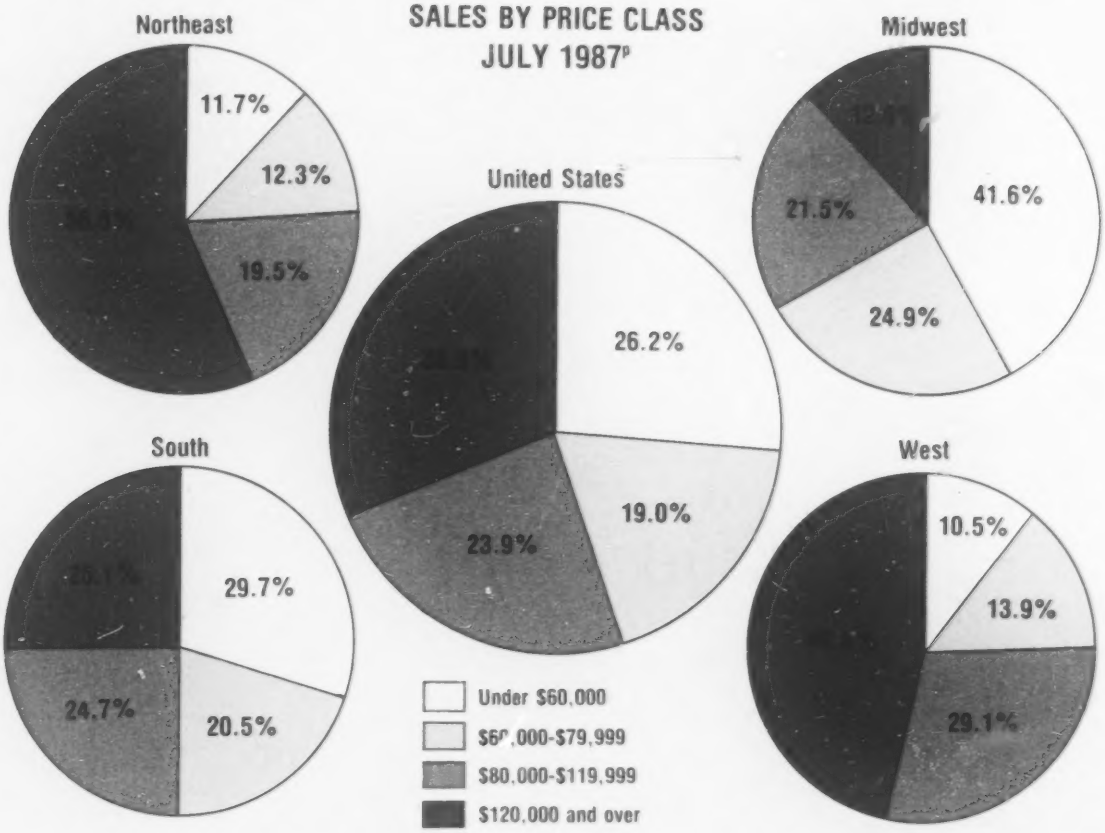
Price Class	Jul 1983	Jul 1984	Jul 1985	Jul 1986[r]	Jul 1987[p]
$ 19,999 or under	1.7	2.0	1.7	1.4	1.6
$ 20,000-$ 29,999	3.2	3.3	3.0	2.2	2.4
$ 30,000-$ 39,999	7.2	6.7	6.1	4.9	5.0
$ 40,000-$ 49,999	10.6	9.7	9.2	8.3	7.8
$ 50,000-$ 59,999	12.8	11.9	11.3	10.9	9.4
$ 60,000-$ 69,999	12.2	11.8	11.7	11.6	10.0
$ 70,000-$ 79,999	12.1	10.9	10.5	10.8	9.0
$ 80,000-$ 89,999	9.0	8.9	8.9	8.8	8.3
$ 90,000-$ 99,999	6.1	6.8	6.7	6.5	6.5
$100,000-$119,999	8.4	8.6	8.9	8.9	9.1
$120,000-$159,999	9.2	10.3	11.3	12.1	13.7
$160,000-$199,999	3.5	4.3	5.1	5.8	6.9
$200,000-$249,999	1.9	2.3	2.8	3.4	4.3
$250,000 and over	2.1	2.5	3.2	4.4	6.0
Total	100.0	100.0	100.0	100.0	100.0
Median Price	$71,800	$74,200	$76,700	$79,900	$85,800

r Revised p Preliminary

SALES OF EXISTING SINGLE-FAMILY HOMES BY NUMBER OF BEDROOMS JULY 1987[p]
(Percentage Distribution)

Number of Bedrooms	United States	Northeast	Midwest	South	West
2 Bedrooms or less	16.8	14.3	19.7	13.9	18.2
3 Bedrooms	52.9	49.2	53.8	56.5	49.3
4 Bedrooms or more	30.3	36.5	26.5	29.6	32.5
Total	100.0	100.0	100.0	100.0	100.0

p Preliminary

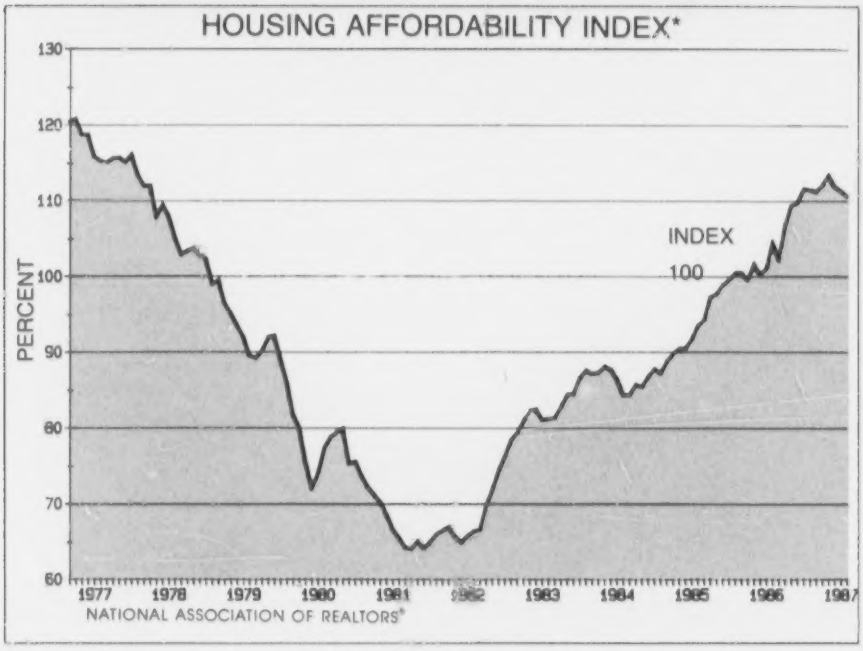


SALES OF EXISTING SINGLE-FAMILY HOMES BY PRICE CLASS JULY 1987p (Percentage Distribution)

Price Class	United States	Northeast	Midwest	South	West
$ 19,999 or under	1.6	0.4	3.1	1.4	0.6
$ 20,000-$ 29,999	2.4	0.8	4.7	2.5	0.5
$ 30,000-$ 39,999	5.0	2.1	8.5	5.6	1.3
$ 40,000-$ 49,999	7.8	3.3	12.0	9.4	3.1
$ 50,000-$ 59,999	9.4	5.1	13.3	10.8	5.0
$ 60,000-$ 69,999	10.0	6.1	13.6	11.2	6.3
$ 70,000-$ 79,999	9.0	6.2	11.3	9.3	7.6
$ 80,000-$ 89,999	8.3	5.5	8.8	9.0	8.7
$ 90,000-$ 99,999	6.5	5.3	5.5	6.8	8.3
$100,000-$119,999	9.1	8.7	7.2	8.9	12.1
$120,000-$159,999	13.7	21.1	7.2	12.2	19.2
$160,000-$199,999	6.9	13.9	2.5	5.5	9.9
$200,000-$249,999	4.3	8.7	1.2	3.0	7.2
$250,000 and over	6.0	12.8	1.1	4.4	10.2
Total	100.0	100.0	100.0	100.0	100.0
Median Price	$85,800	$131,800	$66,100	$79,800	$107,100

p Preliminary

HOUSING AFFORDABILITY



Year	Median-Priced Existing Single-Family Home	Mortgage Rate**	Monthly P & I Payment[r]	Payment as % Income[r]	Median Family Income[r]	Qualifying Income***	Affordability Indexes		
							Composite[r]	Fixed[r]	ARM[r]
1981	$66,400	15.12%	$677	36.3%	$22,388	$32,485	68.9	68.9	68.9
1982	67,800	15.38	702	35.9	23,433	33,713	69.5	69.4	69.7
1983	70,300	12.85	616	30.1	24,580	29,546	83.2	81.7	85.2
1984	72,400	12.49	618	28.2	26,433	29,650	89.1	84.6	92.1
1985	75,500	11.74	609	26.2	27,735	29,243	94.8	89.6	100.6
1986[r]	80,300	10.25	563	23.0	29,458	27,047	108.9	105.7	116.3
1986									
Jul	$79,900	10.26%	$573	23.9%	$28,740	$27,517	104.4	102.5	111.8
Aug	82,000	10.26	588	24.4	28,840	28,240	102.3	99.5	110.4
Sep	80,300	10.08	568	23.5	29,027	27,243	106.6	103.2	113.9
Oct	79,400	9.97	556	22.9	29,171	26,689	109.3	105.5	118.1
Nov	80,400	9.84	557	22.8	29,314	26,729	109.7	105.7	119.0
Dec	80,800	9.65	551	22.4	29,458	26,430	111.5	107.1	119.8
1987									
Jan	$82,100	9.53%	$554	22.5%	$29,595	$26,578	111.4	108.6	118.8
Feb	85,000	9.21	557	22.5	29,732	26,758	111.1	108.3	118.0
Mar	85,600	9.09	555	22.3	29,868	26,661	112.0	109.8	119.5
Apr	85,000	9.09	552	22.1	30,005	26,475	113.3	111.3	121.2
May	85,200	9.27	562	22.4	30,142	26,963	111.8	109.0	120.0
Jun[r]	85,200	9.38	567	22.5	30,279	27,224	111.2	105.5	121.9
Jul[p]	85,800	9.43	574	22.6	30,416	27,536	110.5	102.0	120.0

r Revised
p Preliminary
* Index equals 100 when median family income equals qualifying income.
** Effective rate on loans closed on existing homes—Federal Home Loan Bank Board.
*** Based on current lending requirements of the Federal National Mortgage Association using a 20 percent down payment.

CONDO AND CO-OP SALES

APARTMENT CONDO AND CO-OP SALES
(Seasonally Adjusted Annual Rates)

Year		United States	Northeast	Midwest	South	West
1981		153,000	45,000	33,000	46,000	28,000
1982		130,000	45,000	26,000	39,000	20,000
1983		205,000	79,000	41,000	54,000	31,000
1984		230,000	96,000	45,000	55,000	34,000
1985		279,000	135,000	50,000	64,000	30,000
1986		332,000	166,000	60,000	73,000	33,000
1986	II	307,000	147,000	60,000	69,000	31,000
	III	346,000	183,000	63,000	70,000	31,000
	IV	403,000	211,000	67,000	85,000	40,000
1987	I	346,000	169,000	66,000	79,000	32,000
	II[r]	368,000	192,000	65,000	79,000	32,000

TOTAL EXISTING HOME SALES
SINGLE-FAMILY, APARTMENT CONDOS AND CO-OPS
(Seasonally Adjusted Annual Rates)

Year		United States	Northeast	Midwest	South	West
1981		2,572,000	398,000	665,000	963,000	544,000
1982		2,120,000	399,000	516,000	819,000	386,000
1983		2,924,000	572,000	750,000	1,089,000	512,000
1984		3,098,000	607,000	800,000	1,128,000	563,000
1985		3,493,000	757,000	916,000	1,236,000	584,000
1986		3,897,000	869,000	1,051,000	1,334,000	643,000
1986	II	3,780,000	840,000	1,080,000	1,270,000	610,000
	III	3,930,000	880,000	1,040,000	1,360,000	650,000
	IV	4,290,000	960,000	1,100,000	1,480,000	750,000
1987	I	3,960,000	880,000	1,140,000	1,340,000	610,000
	II[r]	3,980,000	890,000	1,040,000	1,390,000	660,000

MEDIAN SALES PRICE OF APARTMENT
CONDOS AND CO-OPS, QUARTERLY
(Not Seasonally Adjusted)

Year		United States	Northeast	Midwest	South	West
1982		$62,000	$60,800	$54,200	$59,800	$79,400
1983		64,000	61,300	55,000	62,000	97,300
1984		65,100	64,700	55,600	63,300	94,600
1985		67,600	73,600	56,100	62,300	91,100
1986		72,600	84,900	58,700	64,600	90,800
1986	II	$70,500	$81,800	$58,900	$65,200	$86,800
	III	73,600	85,000	59,100	66,500	93,900
	IV	75,600	89,700	58,700	62,000	94,900
1987	I	$72,200	$85,500	$59,300	$63,300	$90,200
	II[r]	78,000	98,800	59,400	69,000	95,700

r Revised

STATE SALES DATA

TOTAL EXISTING HOME SALES FOR EACH STATE
SINGLE-FAMILY, APARTMENT CONDOS and CO-OPS
(Units in Thousands)

State	Years			Quarters (Seasonally Adjusted Annual Rate)				
				1986			1987	
	1984	1985	1986	II	III	IV	I	II^r
Alabama	53.3	59.7	60.8	62.7	60.1	69.1	59.2	63.9
Alaska	9.2	10.0	6.1	9.1	6.0	5.6	4.8	7.9
Arizona	59.8	71.7	73.8	84.6	76.7	73.1	45.5	84.4
Arkansas	43.4	49.8	52.8	50.6	59.8	57.5	50.7	52.4
California*	382.1	407.2	484.6	473.3	505.3	579.1	439.3	570.1
Colorado	47.1	49.3	47.5	44.7	56.1	52.7	56.3	50.7
Connecticut	44.5	56.0	52.0	50.2	47.9	65.0	51.7	49.9
Delaware	10.0	12.3	12.9	12.5	8.2	12.9	13.5	14.5
District of Columbia	7.8	9.9	11.6	13.1	11.6	12.1	12.3	10.1
Florida	137.6	151.3	169.4	144.7	183.0	217.7	160.1	186.4
Georgia	60.1	65.1	75.1	70.9	78.4	83.7	80.1	104.9
Hawaii	7.0	7.9	10.0	8.6	9.7	13.7	10.7	12.5
Idaho	12.3	11.5	11.3	10.9	12.7	11.9	13.2	10.6
Illinois	122.5	140.5	179.2	153.6	203.7	192.2	172.4	168.6
Indiana	64.5	90.1	86.1	94.5	90.8	91.3	100.2	99.2
Iowa	41.9	39.5	46.1	48.6	47.1	46.0	56.8	47.8
Kansas	49.8	47.4	54.4	58.2	52.0	57.2	62.9	56.0
Kentucky	57.3	57.7	58.6	55.7	60.9	69.1	51.8	63.4
Louisiana	50.3	44.1	34.0	37.2	34.0	35.3	44.0	39.8
Maine	23.3	27.1	30.8	30.3	31.2	36.5	29.5	39.5
Maryland	66.8	80.9	86.9	85.6	90.5	99.4	68.7	78.9
Massachusetts	66.5	80.5	84.6	86.1	92.4	94.0	86.5	113.7
Michigan	139.4	167.2	186.6	212.6	176.2	192.9	194.6	185.7
Minnesota	65.5	73.9	96.8	111.1	77.9	87.2	128.8	78.2
Mississippi	32.0	35.5	34.2	34.3	39.3	37.2	35.5	36.6
Missouri	81.0	85.8	88.4	90.0	92.2	100.0	96.5	90.4
Montana	12.4	11.1	11.9	10.3	13.4	12.2	10.7	12.4
Nebraska	24.9	24.5	25.5	23.9	26.5	26.4	31.0	26.5
Nevada	9.4	10.0	11.0	11.8	10.6	10.2	9.3	13.0
New Hampshire	16.9	19.3	17.4	12.2	19.6	24.6	23.0	13.4
New Jersey	119.7	148.8	159.6	166.9	159.7	165.1	163.1	169.4
New Mexico	19.1	19.8	19.5	18.0	18.9	22.7	21.0	21.3
New York	148.9	190.7	216.8	222.1	214.0	236.8	242.8	240.9
North Carolina	103.2	123.3	139.2	137.2	144.1	152.4	140.7	149.9
North Dakota	10.0	8.9	9.5	8.9	9.7	12.1	15.9	10.0
Ohio	138.3	162.5	179.9	171.1	199.2	205.0	189.6	189.6
Oklahoma	51.9	46.8	49.4	43.7	49.8	47.6	41.5	43.0
Oregon	35.7	39.3	45.0	43.0	46.2	54.1	48.7	45.4
Pennsylvania	170.4	210.8	258.3	250.4	274.4	304.5	267.8	229.8
Rhode Island	11.0	13.2	13.5	12.9	14.4	15.0	12.2	14.0
South Carolina	46.0	52.6	58.0	56.8	55.6	67.2	51.3	68.3
South Dakota	11.8	11.3	13.2	13.8	11.9	12.7	13.7	13.3
Tennessee	78.7	99.2	112.0	103.7	119.6	126.2	109.9	118.7
Texas	196.7	203.8	198.9	181.4	214.9	244.1	201.0	226.5
Utah	15.0	15.5	14.6	14.5	16.8	15.4	17.9	13.7
Vermont	8.2	9.9	12.4	12.1	12.8	14.6	12.8	15.9
Virginia	98.1	107.2	130.4	143.7	117.2	125.4	118.0	118.0
Washington	44.9	43.8	50.6	41.0	54.2	60.1	45.4	41.9
West Virginia	34.6	37.7	39.7	42.6	38.7	38.1	47.0	40.9
Wisconsin	56.0	65.5	76.9	74.6	77.9	82.5	83.1	76.1
Wyoming	6.2	6.5	6.1	5.9	6.6	6.6	6.7	6.6

* Provided by the California Association of REALTORS® r Revised

METROPOLITAN AREA DATA

MEDIAN SALES PRICE OF EXISTING SINGLE-FAMILY HOMES FOR METROPOLITAN AREAS*
(Not Seasonally Adjusted in Thousands of Dollars)

Metropolitan Area	Years			Quarters				
				1986			1987	
	1984	1985	1986	II	III	IV	I	II[r]
Akron	$ 50.4	$ 52.7	$56.2	$ 58.2	$ 56.9	$ 56.7	$ 54.7	$56.9
Albany/Schenectady/Troy	52.9	60.3	72.7	73.3	74.4	76.3	80.1	86.5
Albuquerque	73.4	76.8	81.6	79.7	85.4	82.0	83.1	82.5
Orange County (Anaheim/Santa Ana MSA**)	133.7	136.2	147.7	149.4	149.6	152.4	156.1	167.3
Baltimore	66.1	72.6	74.0	72.8	78.0	74.3	81.0	76.8
Baton Rouge	73.5	74.6	70.9	73.3	69.8	68.5	68.3	68.1
Birmingham	65.1	64.5	68.3	69.4	69.6	66.7	67.5	72.7
Boston	100.0	134.2	159.2	156.2	163.0	167.8	170.0	175.8
Buffalo/Niagara Falls	44.8	46.7	52.4	54.0	52.8	53.5	55.6	56.5
Charlotte/Gastonia/Rock Hill, NC-SC	66.8	69.4	n/a	75.9	75.4	n/a	n/a	n/a
Chicago	79.5	81.1	86.1	84.7	86.7	85.8	85.7	90.9
Cincinnati	58.9	60.2	n/a	64.2	64.5	n/a	63.8	65.9
Cleveland	62.7	64.4	66.9	68.0	68.4	65.1	n/a	n/a
Columbus	59.9	62.2	65.5	67.7	66.1	64.0	66.9	67.2
Dallas/Ft. Worth	82.2	87.7	92.8	93.6	92.4	89.8	91.2	90.0
Denver	82.7	84.3	86.4	87.3	87.5	85.8	89.9	88.2
Des Moines	52.4	52.5	55.9	59.0	55.2	55.0	55.9	56.8
Detroit	48.5	51.7	58.1	57.5	59.9	60.1	64.3	66.2
El Paso	57.8	57.6	59.0	60.9	59.6	58.5	58.0	58.0
Ft. Lauderdale/Hollywood/Pompano Beach	73.1	74.6	77.7	75.1	83.4	77.7	76.6	79.7
Grand Rapids	42.8	46.7	50.4	51.6	50.6	49.7	51.7	53.4
Hartford	87.4	99.6	129.0	127.6	132.0	134.6	136.6	157.0
Houston	77.6	78.6	69.9	72.0	70.4	67.6	64.7	67.4
Indianapolis	53.1	55.0	59.0	60.8	59.9	57.5	61.6	63.8
Jacksonville	55.7	58.4	62.8	57.5	65.7	62.7	62.7	65.8
Kansas City	59.1	61.4	65.4	67.0	64.1	65.1	72.9	71.1
Las Vegas	76.3	75.1	77.5	76.9	81.3	78.5	76.1	77.9
Los Angeles Area**	115.3	n/a	128.8	128.7	132.9	130.2	130.1	139.6
Louisville	48.9	50.6	51.7	52.6	53.7	51.9	52.1	53.4
Memphis	64.1	64.6	70.6	71.3	71.5	69.9	70.6	76.9
Miami/Hialeah	79.5	80.5	81.1	85.7	85.5	79.1	74.7	84.4
Milwaukee	68.2	67.5	69.9	71.0	70.8	69.2	67.8	71.7
Minneapolis/St. Paul	74.0	75.2	77.9	79.0	78.1	77.4	80.4	80.2
Nashville/Davidson	62.9	66.1	70.8	71.4	71.2	71.7	73.4	75.6
New York/Northern New Jersey/Long Island	105.3	134.0	160.6	160.0	167.8	167.6	169.4	183.0
Oklahoma City	63.9	64.7	63.0	65.0	62.3	62.9	62.4	65.2
Omaha	56.2	58.3	58.8	62.0	57.8	58.8	57.8	60.0
Orlando	70.1	70.3	72.5	74.5	72.8	72.1	73.6	76.4
Philadelphia	65.2	70.8	74.5	73.6	75.6	77.1	79.8	84.4
Phoenix	74.7	74.7	78.4	78.8	79.1	77.9	78.4	81.4
Portland	62.9	61.5	62.6	63.4	63.1	62.5	62.7	64.3
Providence	59.6	67.5	87.6	84.4	91.9	96.4	101.3	109.8
Rochester	59.7	64.2	68.3	68.3	69.1	69.1	69.5	72.3
St. Louis	61.8	65.7	70.9	72.0	72.0	71.9	71.9	74.7
Salt Lake City/Ogden	65.8	66.7	68.5	67.8	69.9	69.0	68.1	69.5
San Antonio	67.5	67.7	69.2	69.1	69.3	70.2	67.6	72.6
San Diego**	100.2	106.4	118.2	119.9	121.1	118.8	121.1	127.1
San Francisco Bay Area	129.9	n/a	n/a	n/a	164.9	164.8	n/a	n/a
Syracuse	50.7	58.8	64.3	64.9	66.2	66.4	65.2	68.1
Tampa/St. Petersburg/Clearwater	58.4	58.4	61.1	62.1	62.8	62.4	59.8	64.9
Toledo, OH	50.7	51.9	56.0	57.4	60.2	53.2	53.4	58.2
Tulsa	67.3	66.7	65.5	66.8	65.6	63.4	64.1	67.4
Washington, D.C.	93.0	97.1	101.2	102.8	98.9	102.0	107.7	115.0
West Palm Beach/Boca Raton/Delray Beach	84.8	88.3	92.6	94.9	96.6	90.9	96.9	104.3

n/a Not Available r Revised

*All areas are metropolitan statistical areas (MSA) as defined by the U.S. Office of Management and Budget. They include the named central city and surrounding suburban areas. **Provided by the California Association of REALTORS®

NEW HOME MARKET

NEW PRIVATELY OWNED HOUSING UNITS STARTED
(Thousands of units)

Year		Total	In structures with—			Regions			
			1 unit	2 to 4 units	5 units or more	Northeast	Midwest	South	West
1981		1,084	705	91	288	117	165	562	240
1982		1,062	663	80	320	117	149	591	205
1983		1,703	1,068	114	522	168	218	935	382
1984		1,750	1,084	121	544	204	243	866	436
1985		1,742	1,072	93	576	252	240	782	468
1986		1,805	1,179	84	542	294	296	733	483
			Seasonally Adjusted Annual Rates						
1986	Jul	1,786	1,147	80	559	280	321	717	468
	Aug	1,800	1,180	88	532	323	301	713	463
	Sep	1,689	1,123	62	504	288	271	704	426
	Oct	1,657	1,114	85	458	267	247	680	463
	Nov	1,637	1,129	71	437	273	275	608	481
	Dec	1,813	1,233	108	472	309	394	602	508
1987	Jan	1,816	1,253	79	484	336	431	589	460
	Feb	1,838	1,303	76	459	291	371	675	501
	Mar	1,730	1,211	85	434	296	348	616	470
	Apr	1,643	1,208	67	368	272	305	665	401
	May[r]	1,606	1,130	67	409	297	309	623	377
	Jun[r]	1,597	1,096	87	414	264	293	604	436
	Jul[p]	1,611	1,159	63	389	288	247	639	437

r Revised p Preliminary

Source: Census Bureau, U.S. Department of Commerce

NEW ONE-FAMILY HOUSES SOLD
(Thousands of houses sold during period)

Year		United States	Northeast	Midwest	South	West	United States	Northeast	Midwest	South	West
1981		436	46	60	219	112					
1982		412	47	48	219	99					
1983		623	76	71	323	152					
1984		639	94	76	309	160					
1985		688	112	82	323	170					
1986		750	136	96	321	196					
		Seasonally Adjusted Annual Rates					Not Seasonally Adjusted				
1986	Jul	691	113	97	304	177	57	10	8	25	14
	Aug	623	106	71	292	154	52	9	7	23	12
	Sep	744	142	93	301	208	60	13	8	24	16
	Oct	675	128	99	263	185	54	11	8	20	15
	Nov	691	141	77	299	174	48	10	5	21	12
	Dec	768	140	128	300	200	49	9	7	20	13
1987	Jan	712	146	95	290	181	53	10	5	23	15
	Feb	740	126	135	290	188	59	9	9	25	17
	Mar	720	124	106	290	200	73	11	11	30	21
	Apr[r]	733	116	115	301	201	72	10	12	29	20
	May[r]	643	114	86	263	180	61	11	9	24	17
	Jun[r]	650	100	105	256	189	59	10	10	23	17
	Jul[p]	653	114	99	243	197	54	10	9	20	16

Components may not agree with totals due to rounding

r Revised p Preliminary

Source: Census Bureau, U.S. Department of Commerce

NEW HOUSES SOLD BY SALES PRICE CLASS
MONTHS OF JUNE
(Percentage Distribution)

Price Class	June 1983	June 1984	June 1985	June 1986	June 1987[p]
Under $60,000	25	19	16	10	9
$60,000 to $79,999	31	30	26	26	16
$80,000 to $99,999	19	21	21	23	20
$100,000 to $119,999	7	10	11	12	13
$120,000 to $149,999	18	7	12	12	13
$150,000 and over	n/a	13	13	17	31
Median Sales Price	$75,800	$80,500	$86,300	$91,200	$107,000

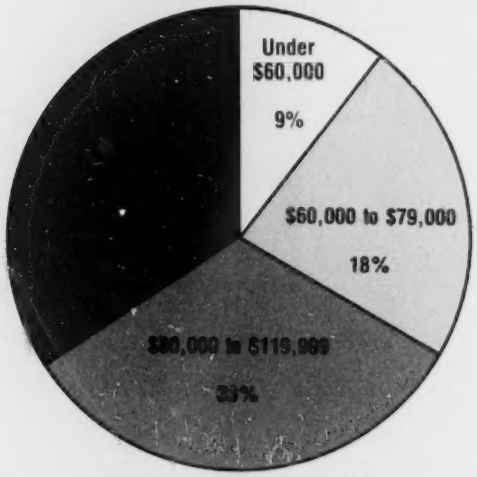
Source: Census Bureau, U.S. Department of Commerce

NEW HOUSES SOLD BY SALES PRICE CLASS
BY REGION 2nd QUARTER 1987[p]
(Percentage Distribution)

Price Class	United States	Northeast	Midwest	South	West
Under $60,000	9	**	12	15	4
$60,000 to $79,999	16	**	21	26	13
$80,000 to $99,999	20	23	33	34	35
$100,000 to $119,999	13				
$120,000 to $149,999	14	77	33	25	48
$150,000 and over	27				
Median Sales Price	$104,000	$150,000	$94,500	$87,100	$116,000

** Insufficient Sample Size
Source: Census Bureau, U.S. Department of Commerce

NEW HOUSES SOLD BY SALES PRICE CLASS
SECOND QUARTER 1987[p]
(Percentage Distribution)



Source: Census Bureau, U.S. Department of Commerce
p Preliminary

NATIONAL ASSOCIATION OF REALTORS®
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10/26/87 A7000-2

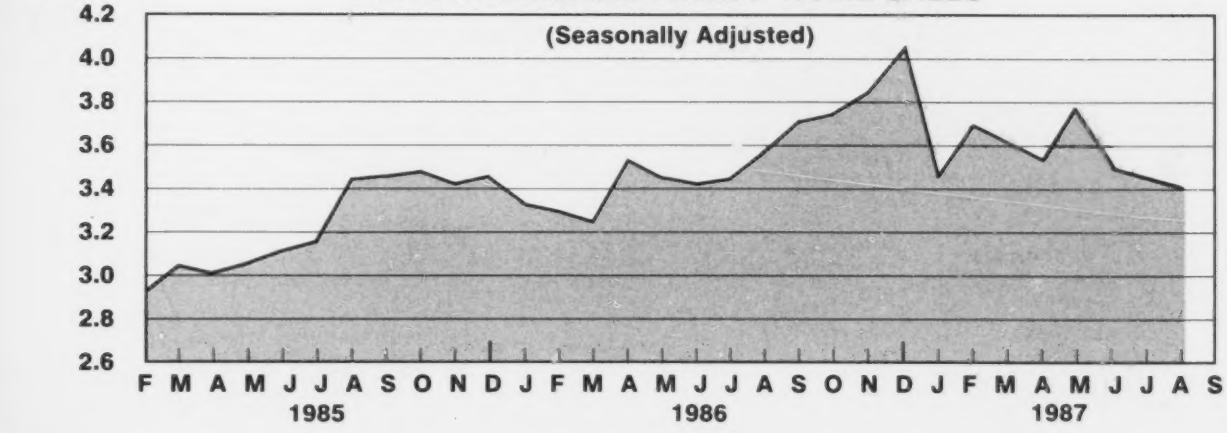
Home Sales

EXISTING AND NEW
SINGLE-FAMILY, APARTMENT CONDOS AND CO-OPS

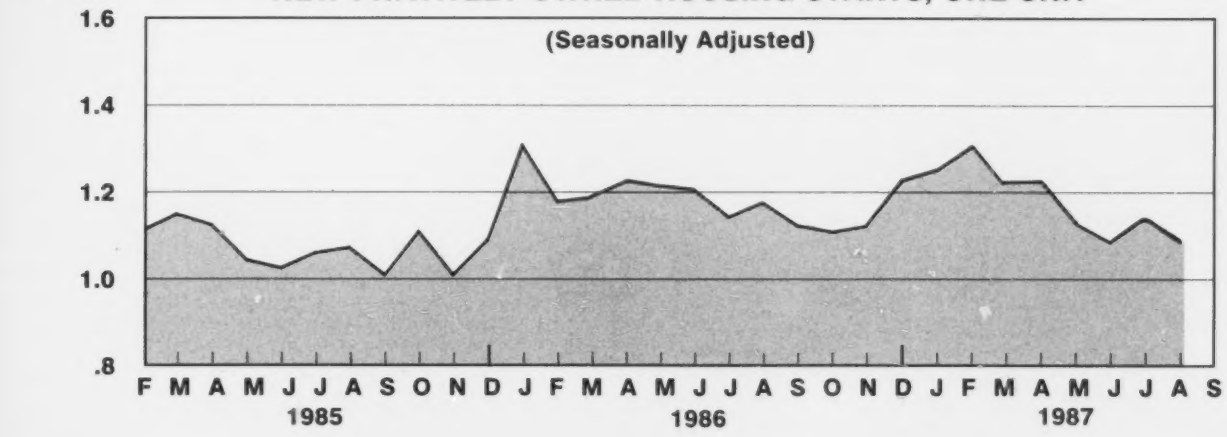
NATIONAL ASSOCIATION OF REALTORS®

September 1987

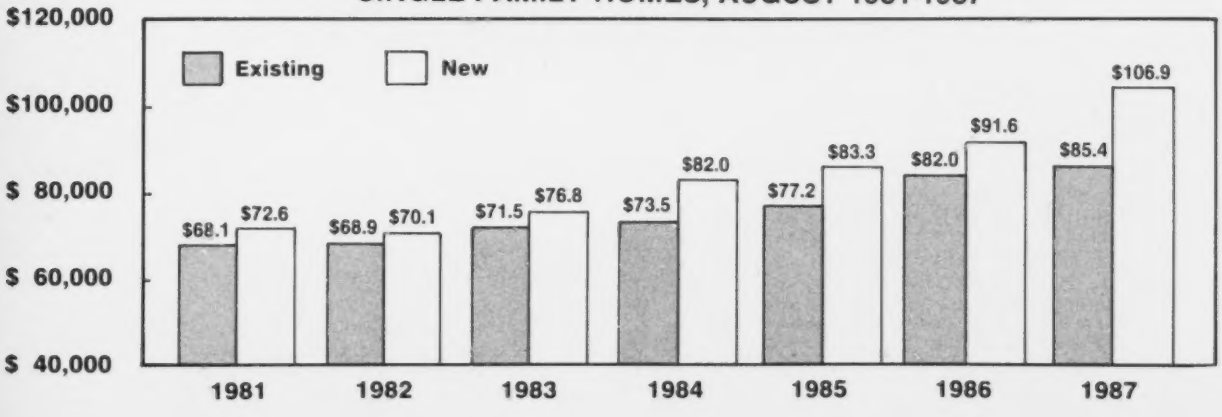
EXISTING SINGLE-FAMILY HOME SALES



NEW PRIVATELY OWNED HOUSING STARTS, ONE UNIT



EXISTING AND NEW HOME MEDIAN SALES PRICE OF SINGLE-FAMILY HOMES, AUGUST 1981-1987



SURVEY DESCRIPTION

Publication

1. "Home Sales" is a monthly publication of the NATIONAL ASSOCIATION OF REALTORS®.

Coverage

2. Each month the REALTORS® Economics and Research Division receives data on existing single-family home sales from over 400 Boards of REALTORS® and multiple listing systems. In 1985 data on over 1,590,000 existing single-family homes were received and processed.

3. Participating Boards are situated in every region of the country and provide wide geographic coverage of the existing home market. While almost all are located in, or adjacent to, standard metropolitan statistical areas, comparisons of their sales reports with data from the Annual Housing Survey show that, as a group, their experience is representative of the sales activity and prices that generally prevail in each region of the country.

Regions

4. Statistics on sales volume and price are published for the U.S. and for the four standard Census regions of the country. States contained in each region are as follows:

NORTHEAST
Connecticut
Maine
Massachusetts
New Hampshire
New Jersey
New York
Pennsylvania
Rhode Island
Vermont

MIDWEST
Illinois
Indiana
Iowa
Kansas
Michigan
Minnesota
Missouri
Nebraska
North Dakota
Ohio
South Dakota
Wisconsin

SOUTH
Alabama
Arkansas
Delaware
Dist. of Columbia
Florida
Georgia
Kentucky
Louisiana
Maryland
Mississippi
North Carolina
Oklahoma
South Carolina
Tennessee
Texas
Virginia
W. Virginia

WEST
Alaska
Arizona
California
Colorado
Hawaii
Idaho
Montana
Nevada
New Mexico
Oregon
Utah
Washington
Wyoming

5. Regional weights have been developed to represent the estimated importance of each region in the national existing home market. These weights are based on the regional distribution of owner-occupied single-family dwelling units and homeowner mobility. Weights are periodically revised to reflect shifts in regional demand. The most recent revision occurred in 1982 to reflect changes reported in the 1980 Census of Housing. Weights assigned each region are:

Northeast	.14	South	.35
Midwest	.28	West	.23

Sales Volume

6. Estimated total sales volume of single-family homes and condominiums and cooperatives for each region is computed by using a constant factor to blow up the reported sales of participating multiple listing systems. Regional factors were developed by analyzing the relationship between reported Board sales and measures of total market activity derived from special computer runs from the Annual Housing Survey tapes and from the 1980 Census of Housing.

7. Regional sales are then aggregated to yield national sales volume. Because of the method of computation, regional figures will not always total to the U.S. statistic. Such differences are due entirely to rounding.

8. Quarterly estimates for total existing home sales by state are developed subsequent to the national and regional single-family and apartment condominium/co-op statistics. A constant "blow-up" factor is used. These factors were developed by comparing sales reported by participating Boards to market activity benchmarks from the 1980 Census of Housing. State estimates are then adjusted to conform with regional totals.

9. In the main, a transaction is reported when the sales contract is signed, but a number of Boards report "closings." To the extent "closings" are contained in this series, they introduce a "distributive lag" effect which tends to smooth out month-to-month fluctuations in reported volume.

Sales Price

10. Median and average (mean) sales prices are computed for the U.S. and each region of the country and median sales prices are computed for selected metropolitan areas. Because of the nature of the distribution of home sales prices, the average (mean) sales price is higher than the median price.

11. Movements in sales prices should not be interpreted as measuring changes in the cost of a *standard home*. Prices are influenced by changes in cost *and* changes in the characteristics and size of homes actually sold.

12. There is a modest degree of seasonal variation in reported selling prices. Sales prices tend to reach a seasonal peak in July, and then decline moderately over the next three months before experiencing a seasonal upturn. However, sales prices are *not seasonally adjusted*.

Seasonal Adjustment

13. Volume statistics are seasonally adjusted using the X-11 Variant of the Census Method II Seasonal Adjustment Program of the Bureau of the Census. The procedure includes adjusting for trading-day variation—the number of Mondays, Tuesdays, etc., in a particular month. This type of fluctuation in the data was found to be significant.

14. Sales in each region are first seasonally adjusted and then aggregated to yield the U.S. statistic.

15. Seasonal indices are based on monthly single-family home sales activity dating from July 1966. Seasonal patterns for apartment condominium/cooperative sales and state home sales are based on a quarterly data beginning in 1975. New seasonal adjusters are constructed at the conclusion of each year. Data for the three preceding years are revised using these new seasonal factors.

EQUAL HOUSING OPPORTUNITY

THE NATIONAL ASSOCIATION OF REALTORS® is pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the nation. The Association encourages and supports an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, or national origin.

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home sales

The existing and new home sales markets moved in opposite directions in August. Existing single-family home sales — hampered by increasing interest rates — dropped to a seasonally adjusted annual rate of 3,400,000 units, down 0.9 percent from July. Concurrently, new home sales increased to an annualized rate of 688,000 units, 2.7 percent above the July pace, reflecting new home buyer enthusiasm sparked by the slight dip in mortgage interest rates in June and July. This occurred just before the Federal Reserve Board hiked the discount rate on September 4 — an action that will tend to slow activity further.

Two of the four regions reported existing home sales at a slower sales pace, with the Midwest declining to an annualized rate of 850,000 units, 5.6 percent below July and 14.1 percent lower than a year ago. The West registered a modest decrease to 600,000 units, down 1.6 percent from last month and 4.8 percent below last August. Small increases were recorded in the Northeast and South with sales in the Northeast at a 680,000 unit pace, up 1.5 percent from last month but down 1.4 percent from the year before. There were signs of some underlying strength in the South, with sales of 1,270,000 units, 2.4 percent above July and unchanged from a year ago. Sales in this region, shored up by increased activity in the oil patch states, have hovered around the 1,270,000 mark since January.

While new home sales were up on balance, the increase centered in the West and the South. New home sales in the West jumped to a seasonally adjusted annual rate of 217,000 units, an increase of 8.5 percent from last month and 40.9 percent over a year ago. Sales activity in the South rose to 266,000 units, a more moderate 4.3 percent above July but a substantial 8.9 percent below July of last year. Activity in the Midwest slipped to a 90,000 unit pace, 6.3 percent below last month and a sizeable 26.8 percent above the year ago level.

Inventory Available for Sale

The supply of houses available for sale increased modestly for both existing and new houses. The slower pace of existing home sales has resulted in an inventory of 2,360,000 units, 1.3 percent above the July level and an increase in the available supply from 8.2 to 8.3 months. The number of new houses available for sale edged upwards to 360,000 units, less than 1 percent above last month and a decrease from 6.6 to 6.4 in the months supply of new houses available for sale.

Housing Construction

Total housing starts slipped marginally to a 1,582,000 annualized rate, 1.5 percent below July and 12.1 percent lower than August 1986. This modest decrease, however, disguises a disturbing slowdown in single-family starts. Specifically, a 52,000 unit decrease in single-family starts was partially offset by a 28,000 unit increase in buildings with 5 units or more.

Regional comparisons show that activity picked up sharply in the Midwest while declining in the other 3 regions. In the Midwest, starts jumped to a 274,000 unit annual rate, up 11.4 percent from July but down 9.0 percent from a year earlier. In the Northeast, however, starts fell to a 248,000 unit pace, down 12.4 percent from July and 23.2 percent below a year ago. Starts in the South were at a 634,000 unit rate, down 0.9 percent from July and 11.1 percent below last year's pace. The West also registered a small decrease to 426,000 units, down 2.5 percent from last month, and 8.0 percent below a year ago.

Home Sales Prices

While existing home prices in August were retreating, new home prices were advancing. The dual effect of higher interest rates and normal seasonal variation tended to soften existing home sales prices in August. The median price of an existing single-family home decreased by $800 to $85,400. This was 0.9 percent below last month and 4.1 percent above last August. The median price of a new home climbed to $106,900, up 3.3 percent from last month and 16.8 percent higher than a year ago.

Existing home prices varied among the regions. In the Northeast, the median price decreased to $134,800, down 5.9 percent from July and 25.4 percent above a year ago. In the West, the median price slipped to $105,200, off 1.4 percent from last month and 2.2 percent higher than July 1986. By contrast, the median price in the South increased to $79,900, 1.9 percent above July, virtually unchanged from last year. Prices in the Midwest increased slightly to $66,500, 0.9 percent from July and up 4.4 percent from last August.

Resale Housing Affordability

A modest decrease in existing home prices combined with a small increase in median family income to push the Housing Affordability Index back up to 111.8 in August. While there was a pause in the uptrend in mortgage interest rates, the recent discount rate increase by the Federal Reserve Board will filter through in the next month or two and make homeownership more expensive for home purchasers, all other things being the same.

At its present level, the affordability index means that a family earning the median family income of $30,553 for August would have 111.8 percent of the income needed to qualify for a conventional loan covering 80 percent of the median home price of $85,400. The adjustable rate mortgage affordability index stood at 120.8 in August, 17.3 points above the fixed rate index. ARMs still provide an attractive choice for persons who would like a financing alternative.

Condominium/Co-op Resales

Apartment condo and co-op sales volume during the second quarter increased to a seasonally adjusted annual rate of 368,000 units. This was 6.4 percent above the first quarter and a 19.9 percent jump from the second quarter of 1986.

Year-to-year comparisons of changes in quarterly condo and co-op sales activity with changes in quarterly single-family detached sales activity point up some interesting contrasts between the two. While single-family detached home sales increased 4.0 percent to a seasonally adjusted annual rate of 3,610,000 units, condo/co-op sales increased a steep 19.9 percent to a seasonally adjusted annual rate of 368,000 units.

When viewed on a regional basis, single-family resale activity was up in three of the four regions while condo/co-op activity registered increases in all regions. In the Northeast, single-family home sales increased 4.0 percent while condo/co-op turnover was up a hefty 30.6 percent. In the Midwest, existing home sales were down 3.6 percent while condo/co-op sales were up 8.3 percent. Although sales for both types of housing were up in the South, resale activity increased relatively less than condo/co-op with gains of 9.6 percent and 14.5 percent, respectively. The West was the only region where the single-family home sales rate increased by a greater margin than that of condo/co-op sales, 9.3 percent versus 3.2 percent, respectively.

State Home Resales

On a national basis, total home sales including condominiums and cooperatives advanced a marginal 0.5 percent to a 3,980,000 unit rate, 5.3 percent above the second quarter of last year.

When viewing the diversity of performance of individual states within regions certain parallels appear. The South, which registered the largest year-to-year increase in sales activity (9.4 percent) had the most states with increases and the fewest with decreases, 11 versus 4, respectively. Similarly, the West, with the second highest year-to-year increase (8.2 percent), had 8 states with increases and 6 states with decreases. Seven of the states in the West had increases of 10 percent or more. The Northeast, which had been the volume pacesetter since 1982, registered the third highest increase (6.0 percent) and still had more states reporting increases than decreases with 4 posting increases of 10 percent or more. By contrast, the Midwest registered a 3.7 percent sale volume decrease from the same quarter of

STATE HOME RESALES

(Change from a Year Ago)

Down 10.0% or more	Down 0.1-9.9%	Up 0.1-9.9%	Up 10.0% or more	
Alaska	Arizona	Alabama	California	South Carolina
District of Columbia	Connecticut	Arkansas	Colorado	Tennessee
Michigan	Idaho	Illinois	Delaware	Texas
Minnesota	Iowa	Indiana	Florida	Vermont
Virginia	Kansas	Louisiana	Georgia	Wyoming
West Virginia	Maryland	Mississippi	Hawaii	
	Oklahoma	Missouri	Kentucky	
	Pennsylvania	New Hampshire	Maine	
	South Dakota	New Jersey	Massachusetts	
	Utah	New York	Montana	
	Washington	North Carolina	Nebraska	
		Oregon	Nevada	
		Rhode Island	New Mexico	
		Wisconsin	North Dakota	
			Ohio	

last year. Seven of the Midwestern states registered an increase while 5 reported decreases.

Metropolitan Home Prices

As housing markets heat up, home prices become a popular topic of conversation and the local real estate prices become newsworthy. Usually, broad measures of price behavior tend to mask what is really happening locally. Thus, while the median price of a home nationally is now $85,400, the extremes within the country and regions are noteworthy. Some examples of prices within the four regions of the country are cited below. In the Northeast, the two highest and two lowest priced areas in our survey are the New York/Northern New Jersey/Long Island and Boston metro areas at $183,000 and $175,800, respectively, while the lower priced areas are Buffalo/Niagara Falls and Syracuse at $56,500 and $68,100, respectively. In the West, the two highs are Orange County (Anaheim/Santa Ana MSA) and Los Angeles Area at $167,300 and $139,600, respectively, while the lows are Las Vegas and Albuquerque at $77,900 and $82,500, respectively. Prices in the South are at higher levels in Washington, D.C. ($115,000) and West Palm Beach/Boca Raton/Delray Beach ($104,300) and lower levels in El Paso ($58,000) and Houston ($67,400). The lowest priced region is the Midwest ($66,500) where the highest prices are in Chicago ($90,900) and Minneapolis ($80,200) while the lowest prices are in Grand Rapids ($53,400) and Des Moines ($56,800).

METROPOLITAN AREA MEDIAN PRICE

(Change from a Year Ago)

Down	Up 0.1-4.9%		Up 5.0-9.9%	Up 10% or More
Akron	Albuquerque	Orlando	Baltimore	Albany/Schenectady/Troy
Baton Rouge	Birmingham	Phoenix	Chicago	Orange County, CA (Anaheim/Santa Ana)
Columbus	Buffalo/Niagara Falls	Portland	Ft. Lauderdale	Boston
Dallas/Ft. Worth	Cincinnati	St. Louis	Kansas City	Detroit
Des Moines	Denver	Salt Lake City/Ogden	Los Angeles Area	Hartford
El Paso	Grand Rapids	Syracuse	Memphis	Jacksonville
Houston	Indianapolis	Tampa/St. Petersburg/Clearwater	Nashville/Davidson	New York/Northern New Jersey/Long Island
Miami/Hialeah	Las Vegas	Toledo	Rochester	Philadelphia
Omaha	Louisville	Tulsa	San Antonio	Providence
	Milwaukee		San Diego	Washington, D.C.
	Minneapolis/St. Paul		West Palm Beach/Boca Raton/Delray Beach	
	Oklahoma City			

UNITED STATES SUMMARY

		Single-Family Home Sales (Seasonally Adjusted Annual Rates)		Number of Homes Available for Sale (End of Period)		Months' Supply of Homes on the Market		Median Sales Price of Single-Family Homes	
		Existing	New	Existing	New	Existing	New	Existing	New
1981		2,419,000	436,000	n/a	278,000	*	*	$66,400	$ 68,900
1982		1,990,000	412,000	1,910,000	255,000	*	*	67,800	69,300
1983		2,719,000	623,000	1,980,000	304,000	*	*	70,300	75,300
1984		2,868,000	639,000	2,260,000	358,000	*	*	72,400	79,900
1985		3,214,000	688,000	2,200,000	350,000	*	*	75,500	84,300
1986		3,565,000	749,000	1,970,000	366,000	*	*	80,300	92,000
1986	Aug	3,590,000	623,000	2,670,000	352,000	8.9	7.0	$82,000	$ 91,500
	Sep	3,710,000	744,000	2,450,000	355,000	7.9	5.9	80,300	95,000
	Oct	3,760,000	675,000	2,470,000	357,000	7.9	6.3	79,400	96,400
	Nov	3,850,000	691,000	2,570,000	353,000	8.0	6.2	80,400	94,000
	Dec	4,060,000	768,000	1,970,000	357,000	5.8	5.8	80,800	95,000
1987	Jan	3,480,000	712,000	2,380,000	358,000	8.2	6.2	$82,100	$ 98,500
	Feb	3,690,000	740,000	2,570,000	358,000	8.4	6.1	85,000	95,200
	Mar	3,680,000	720,000	2,620,000	358,000	8.5	6.0	85,600	98,400
	Apr	3,560,000	733,000	2,620,000	359,000	8.8	5.8	85,000	96,500
	May[r]	3,770,000	649,000	2,520,000	355,000	8.0	6.8	85,200	104,900
	Jun[r]	3,500,000	644,000	2,390,000	359,000	8.2	6.8	85,200	109,000
	Jul[r]	3,430,000	670,000	2,330,000	358,000	8.2	6.6	86,200	103,500
	Aug[p]	3,400,000	688,000	2,360,000	360,000	8.3	6.4	85,400	106,900

r Revised p Preliminary n/a not available * not applicable

Source: Census Bureau, U.S. Department of Commerce

UNIT VOLUME

EXISTING SINGLE—FAMILY HOME SALES

Year		United States	Northeast	Midwest	South	West	United States	Northeast	Midwest	South	West
1981		2,419,000	353,000	632,000	917,000	516,000					
1982		1,990,000	354,000	490,000	780,000	366,000					
1983		2,719,000	493,000	709,000	1,035,000	481,000					
1984		2,868,000	511,000	755,000	1,073,000	529,000					
1985		3,214,000	622,000	866,000	1,172,000	554,000					
1986		3,565,000	703,000	991,000	1,261,000	610,000					
		Seasonally Adjusted Annual Rates					Not Seasonally Adjusted				
1986	Aug	3,590,000	690,000	990,000	1,270,000	630,000	341,000	72,000	93,000	116,000	60,000
	Sep	3,710,000	710,000	1,020,000	1,350,000	630,000	317,000	68,000	85,000	107,000	57,000
	Oct	3,760,000	740,000	1,000,000	1,350,000	680,000	326,000	70,000	81,000	115,000	60,000
	Nov	3,850,000	710,000	1,030,000	1,430,000	680,000	266,000	46,000	63,000	110,000	46,000
	Dec	4,060,000	810,000	1,080,000	1,400,000	760,000	268,000	50,000	68,000	97,000	52,000
1987	Jan	3,480,000	680,000	1,000,000	1,230,000	570,000	216,000	43,000	56,000	83,000	35,000
	Feb	3,690,000	710,000	1,120,000	1,270,000	580,000	241,000	41,000	78,000	84,000	38,000
	Mar	3,680,000	730,000	1,110,000	1,270,000	570,000	325,000	57,000	102,000	113,000	52,000
	Apr	3,560,000	670,000	1,030,000	1,270,000	590,000	331,000	59,000	102,000	119,000	51,000
	May	3,770,000	740,000	1,000,000	1,380,000	640,000	346,000	66,000	94,000	126,000	59,000
	Jun	3,500,000	690,000	900,000	1,270,000	640,000	360,000	72,000	96,000	123,000	69,000
	Jul[r]	3,430,000	670,000	900,000	1,240,000	610,000	333,000	68,000	88,000	120,000	55,000
	Aug[p]	3,400,000	680,000	850,000	1,270,000	600,000	318,000	69,000	81,000	113,000	54,000

Components may not agree with totals due to rounding.
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DOLLAR VOLUME

DOLLAR VOLUME OF EXISTING SINGLE-FAMILY HOME SALES
(Billions of Dollars)

Year		United States	Northeast	Midwest	South	West	United States	Northeast	Midwest	South	West
1981		$189.4	$ 26.8	$37.2	$ 69.1	$57.5					
1982		160.2	26.7	29.7	61.4	41.8					
1983		225.9	42.1	44.6	84.4	53.4					
1984		246.6	48.4	48.1	90.1	59.6					
1985		291.9	67.8	57.2	103.9	63.1					
1986		351.1	90.5	70.4	116.9	74.6					
		Seasonally Adjusted Annual Rates					Not Seasonally Adjusted				
1986	Aug	$361.5	$ 92.4	$71.0	$118.8	$79.3	$34.2	$ 9.6	$6.7	$10.8	$7.5
	Sep	364.6	93.8	71.9	123.0	75.9	31.1	8.9	6.0	9.8	6.9
	Oct	369.3	97.1	68.6	120.0	83.6	31.7	9.2	5.6	10.2	7.3
	Nov	382.4	94.2	74.4	129.4	84.4	26.3	6.1	4.5	10.0	5.7
	Dec	413.5	110.0	77.5	129.3	96.7	27.0	6.9	4.9	8.9	6.7
1987	Jan	$348.5	$ 91.2	$74.1	$115.4	$67.6	$21.7	$ 5.8	$4.1	$ 7.8	$4.1
	Feb	384.7	98.2	84.6	123.8	74.9	25.2	5.6	5.9	8.2	4.8
	Mar	386.2	103.5	85.3	125.8	70.4	34.1	8.1	7.9	11.2	6.5
	Apr	373.6	96.3	77.2	123.4	75.7	34.8	8.5	7.7	11.6	6.5
	May	400.4	108.4	77.0	135.0	83.1	36.8	9.8	7.2	12.4	7.6
	Jun	371.0	103.8	67.2	122.0	83.3	38.2	10.8	7.2	11.8	9.0
	Jul[r]	369.1	105.0	67.8	118.5	81.3	35.8	10.7	6.6	11.5	7.3
	Aug[p]	359.4	100.6	65.0	120.1	80.5	33.6	10.2	6.2	10.7	7.2

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